



**Sean Rogan**  
Executive Director

**COMMUNITY DEVELOPMENT COMMISSION  
of the County of Los Angeles**

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**Gloria Molina  
Mark Ridley-Thomas  
Zev Yaroslavsky  
Don Knabe  
Michael D. Antonovich**  
Commissioners

November 15, 2011

The Honorable Board of Commissioners  
Community Development Commission  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

**ADOPTED**  
Community Development Commission

#2-D NOVEMBER 15, 2011

**SACHI A. HAMAI**  
EXECUTIVE OFFICER

Dear Commissioners:

**APPROVAL OF FUNDS FOR ACQUISITION COSTS FOR STEP UP ON VINE IN THE CITY OF  
LOS ANGELES  
(DISTRICT 3) (3 VOTES)**

**SUBJECT**

This letter recommends the transfer of up to \$250,000 in County General Funds (CGF), allocated to the Third Supervisorial District, to fund construction costs associated with the development of the Step Up on Vine permanent supportive housing project by Step Up on Second, Inc. The project is located at 1057 Vine Street in the Hollywood area of the City of Los Angeles.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Acting as a responsible agency pursuant to the California Environmental Quality Act (CEQA), certify that the Community Development Commission (Commission) has considered the attached determination, which was prepared by the City of Los Angeles as lead agency; and find that the project will not cause a significant effect on the environment.
2. Authorize the Executive Director or his designee to execute all required documents necessary to accept and incorporate into the Commission's approved Fiscal Year 2011-2012 budget up to \$250,000 in CGF allocated to the Third Supervisorial District for Emergency Shelter Funds (ESF).
3. Authorize the Executive Director or his designee to grant up to \$250,000 in ESF to Step Up on Second, Inc., to provide construction funding associated with the rehabilitation of a 34-unit uninhabitable motel to provide permanent supportive housing for homeless individuals with mental illness, including veterans.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The \$250,000 in ESF will fund construction costs for the project to be known as Step Up on Vine, which will provide 32 efficiency units of permanent supportive housing targeting homeless individuals with mental illness, including veterans. The project will also contain two units for on-site property managers.

### **FISCAL IMPACT/FINANCING**

The actions described herein will be funded with a portion of the \$20,000,000 in ESF, approved by the Board of Supervisors on June 20, 2005, to fund the construction and/or renovation of year-round emergency shelters and enhancements to the homeless support system.

The \$250,000 in ESF allocated by the Third District will be incorporated into the Commission's approved Fiscal Year 2011-2012 budget as needed.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

In order to address the staggering number of homeless individuals and families and the corresponding critical shortage of beds in Los Angeles County, on June 20, 2005, the Board of Supervisors approved allocation of \$20,000,000 for the construction and/or renovation of year-round emergency shelters and enhancements to the homeless support system.

On November 22, 2005, the Board of Supervisors approved allocating \$3,600,000 in ESF to each Supervisorial District, with \$2,000,000 reserved for Commission administrative costs, and delegated authority to the Commission to administer funding and provide oversight of all projects. The Board also instituted a method by which each Board Office selects recipients of ESF based on agency experience and the need for homeless services in the community, among other considerations.

The Third District is allocating \$250,000 in ESF to the Commission which will be granted to Step Up on Second, Inc., to assist with funding capital costs associated with the Step Up on Vine project. This grant will be used to partially fund the rehabilitation of an existing motel to provide 32 efficiency units targeting homeless individuals with mental illness and homeless veterans, as well as two manager units.

A complete description of the project is provided as Attachment A.

### **ENVIRONMENTAL DOCUMENTATION**

This project has been determined Categorical Exempt from the requirements of CEQA by the City of Los Angeles in accordance with State CEQA Guidelines Section 15301. The Commission's consideration of this determination satisfies the requirements of CEQA.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

Approval of these actions will increase the supply of permanent supportive housing for chronically homeless persons with mental illness.

The Honorable Board of Supervisors

11/15/2011

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Respectfully submitted,

A handwritten signature in black ink, appearing to read "Sean Rogan", followed by a horizontal line.

SEAN ROGAN

Executive Director

SR:kk

Enclosures

**ATTACHMENT A  
STEP UP ON SECOND, INC.  
STEP UP ON VINE**

Step Up on Second is a nonprofit mental health provider and housing developer that has developed and operated permanent supportive housing for over 15 years. The agency currently operates three permanent supportive housing projects with a total of 85 units for individuals who are homeless and affected by mental illness. Step Up on Second is partnering with Hollywood Community Housing Corporation on the development of the Step Up on Vine project.

The project involves the substantial rehabilitation of an existing three-story motel building, currently the “Galaxy Inn” to provide 34 units of affordable housing. After rehabilitation, the project will include 32 efficiency units for homeless individuals with mental illness and two manager units. Each unit will contain a bathroom and a kitchenette with a stove, microwave and refrigerator. The ground floor will consist of community rooms, offices for property management and service providers, a commercial kitchen, and a café open to the public. Communal laundry facilities will be located on the first and second floors, and all resident units will be located on the second and third floors.

The rehabilitation work will include the reconfiguration of the community and residential space, structural upgrades, replacement of major systems such as plumbing and electrical, and the addition of renewable energy systems. The project is designed to improve the building's energy efficiency by at least 20 percent.

Step Up on Second will provide two free meals a day for residents and will provide built-in furnishings for each unit to reduce the move-in costs for formerly homeless individuals.

Step Up on Second will also employ one full-time and one part-time on-site manager, as well as a full-time Life Skills Coordinator and a part-time Case Manager. The Life Skills Coordinator will provide service coordination and linkages, life skills and vocational rehabilitation services, and will coordinate social and recreational activities. The Case Manager will provide functional and mental health care needs assessment for tenants, and will work with each tenant to develop an individualized service plan.

Step Up on Vine will be located at 1057 Vine Street in the City of Los Angeles.

Construction Funding	<u>\$250,000</u>
<b>Total Request</b>	<b>\$250,000</b>

<b>COUNTY CLERK'S USE</b>	<b>CITY OF LOS ANGELES</b> <b>OFFICE OF THE CITY CLERK</b> ROOM 395, CITY HALL LOS ANGELES, CALIFORNIA 90012 CALIFORNIA ENVIRONMENTAL QUALITY ACT <h2 style="margin: 0;">NOTICE OF EXEMPTION</h2> (Article III, Section 3 - City CEQA Guidelines)	<b>CITY CLERK'S USE</b>
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Submission of this form is optional. The form shall be filed with the County Clerk, 12400 E. Imperial Highway, Norwalk, CA 90650, pursuant to Public Resources Code Section 21152 (b). Pursuant to Public Resources Code Section 21167 (d), the filing of this notice starts a 35-day status of limitations on court challenges to the approval of the project. Failure to file this notice with the County Clerk results in the statute of limitations being extended to 180 days.

<b>LEAD CITY AGENCY</b> City of Los Angeles		<b>COUNCIL DISTRICT</b> 4
<b>PROJECT TITLE</b> * Step Up On Vine - 1057 Vine Street, Los Angeles, CA 90038		<b>LOG REFERENCE</b> ENV-2010-984-CE
<b>PROJECT LOCATION</b> * 1057 Vine Street, Los Angeles, CA 90038		
<b>DESCRIPTION OF NATURE, PURPOSE, AND BENEFICIARIES OF PROJECT:</b> * Step Up on Second Street, Inc., a non-profit entity, is seeking to renovate an existing residential apartment building.		
<b>NAME OF PERSON OR AGENCY CARRYING OUT PROJECT, IF OTHER THAN LEAD CITY AGENCY:</b> * Step Up on Second Street, Inc.		
<b>CONTACT PERSON</b> * Christopher Murray	<b>AREA CODE</b> * (818)	<b>TELEPHONE NUMBER</b> * 716-2782
<b>EXT.</b>		

<b>EXEMPT STATUS: (Check One)</b>		
<input type="checkbox"/> MINISTERIAL <input type="checkbox"/> DECLARED EMERGENCY <input type="checkbox"/> EMERGENCY PROJECT <input type="checkbox"/> GENERAL EXEMPTION <input checked="" type="checkbox"/> CATEGORICAL EXEMPTION	<b>CITY CEQA GUIDELINES</b> Art. III, Sec. 2b Art. III, Sec. 2a (1) Art. III, Sec. 2a (2) & (3) Art. III, Sec. 1 Art. III, Sec. 1	<b>STATE EIR GUIDELINE</b> Sec. 15268 Sec. 15269 Sec. 15269 Sec. 15061 (b) (3) Sec. 15300 et seq.
Class <u>1</u> Category <u>1</u> (City CEQA Guidelines)		
<input type="checkbox"/> Other (See Public Resources Code Sec. 21080 (b) and set forth state and city guideline provision)		
<b>JUSTIFICATION FOR PROJECT EXEMPTION:</b> The project involves the remodeling of an existing facility currently occupied by the Applicant. Pursuant to the City's CEQA Guidelines (Class 1, Category 1), "interior or exterior alterations involving remodeling or minor construction where there be negligible or no expansion of use" will "not have a significant effect on the environment" and "are therefore exempt from the provisions of CEQA."		
<b>IF FILED BY APPLICANT, ATTACH CERTIFIED DOCUMENT OF EXEMPTION FINDING.</b>		
<b>SIGNATURE</b> <i>Richards, John</i>	<b>TITLE</b> <i>City Planning Associate</i>	<b>DATE</b> <i>4-19-10</i>
<b>FEE:</b> \$ <i>72.45</i>	<b>RECEIPT NO.</b>	<b>REC'D BY</b> <i>BAS Cashier</i>
		<b>DATE</b> <i>4-19-10</i>

DISTRIBUTION: (1) County Clerk, (2) City Clerk, (3) Agency Record  
 Form Gen. 183 (Rev. 8-90) (Appendix A) (C.S. 4/98) (P.C. 5/02)

THE APPLICANT CERTIFIES THAT HE OR SHE UNDERSTANDS THE FOLLOWING:

Completion of this form by an employee of the City constitutes only a staff recommendation that an exemption from CEQA be granted. A Notice of Exemption is only effective if, after a public review and any required public hearings, it is adopted by the City agency having final jurisdiction (including any appeals) over the project application. If a CEQA exemption is found inappropriate, preparation of a Negative Declaration or Environmental Impact Report will be required. IF THE INFORMATION SUBMITTED BY THE APPLICANT IS INCORRECT OR INCOMPLETE SUCH ERROR OR OMISSION COULD INVALIDATE AND CITY ACTIONS ON THE PROJECT, INCLUDING CEQA FINDINGS.

\* Christopher Murray  
 Name (Printed)

\* *[Signature]*  
 Signature

I hereby certify and attest this to be a true and correct  
copy of the official record on file in the  
Department of City Planning of the City of

designated as ENV-2010-984-CE

4/21/10

Daniel Mark Sosa

Department Representative